Carbon Reduction Plan

Supplier name: SmartSourcing Ltd
Company Registration Number: 04359421
Published date: October 2025

Commitment to achieving Net Zero

SmartSourcing Ltd is committed to achieving Net Zero emissions by 2035.

Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured. We have chosen our baseline year to be August 2022 – July 2023. During the 2025 measurement project, we chose to rebaseline from reporting year ending 2021 to 2023. Activities in 2023 better reflect business-as-usual operations than 2021 or 2022 which were still impacted by the COVID pandemic. 2023 also represents the first reporting year that procurement emissions were fully covered; re-baselining to 2023 therefore improves the comparability of current measurements against the base year.

Baseline Year: 2022-2023	
The base year measurement has been updated in line with updates to emissions accounting methodologies, relevant emission factors and other influencing factors to ensure future measurements are comparable. The base year measurement may also be adjusted where a significant organisational change occurs. There are no Scope 1 emissions owing to having no gas heating or other combustion on site, no company-owned vehicles, no aircon or other fugitive emissions, and no manufacturing so no process emissions.	
EMISSIONS	**TOTAL (tCO_2e)**
Scope 1	0.0
Scope 2	Market-based: 1.6 Location-based: 1.6
Scope 3 including: ● Purchased Goods & Services ● Capital Goods ● Fuel & Energy Related Services ● Business Travel ● Transportation & Distribution (Upstream & Downstream)	65.2

● Employee Commuting & Homeworking ● Operational Waste & Water ● Leased Assets (Upstream & Downstream) ● Franchises & Investments	
Total Emissions	**Market-based:** 66.8 **Location-based:** 66.8

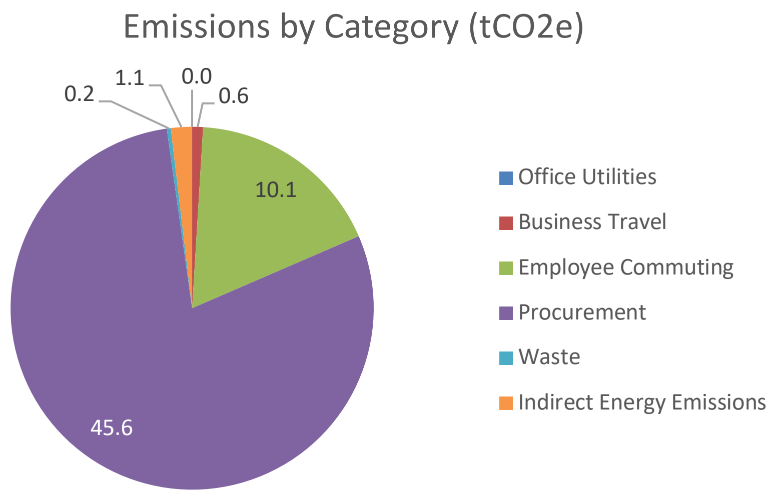
Our total emissions equate to a Carbon Intensity Metric of **2.6 tCO_2e per full-time employee equivalent** (FTE) based on **26** FTEs during the baseline period (using market-based emissions).

**Purchased electricity can be measured in two ways. A location-based method reflects the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factor data). A market-based method reflects emissions from electricity that companies have purposefully chosen (or their lack of choice). A market-based method therefore takes into account the purchase of electricity via a verified renewable energy tariff. We have chosen to base our Net Zero target on a market-based methodology.*

Current Emissions Reporting

Reporting Year: 2024 - 2025	
The current year follows the same reporting boundary and scope as the base year measurement. In addition, there are no Scope 2 (market-based) emissions owing to SmartSourcing Ltd procuring a 100% renewable energy tariff for the occupied premises.	
EMISSIONS	**TOTAL (tCO_2e)**
Scope 1	0.0
Scope 2	Market-based: 0.0 Location-based: 2.6
Scope 3 including: ● Purchased Goods & Services ● Capital Goods ● Fuel & Energy Related Services ● Business Travel ● Transportation & Distribution (Upstream & Downstream) ● Employee Commuting & Homeworking ● Operational Waste & Water ● Leased Assets (Upstream & Downstream) ● Franchises & Investments	57.6
Total Emissions	**Market-based:** 57.6 **Location-based:** 60.2

Our total emissions equate to a Carbon Intensity Metric of **2.7 tCO_2e per full-time employee equivalent** (FTE) and **2.2 tCO_2e per £m revenue** during the measurement period (using market-based emissions).



Emissions reduction targets

SmartSourcing Ltd is committed to achieving Net Zero by 2035.

To achieve Net Zero we will need to reduce our absolute emissions by 90% from our baseline year and offset any residual emissions. To track our progress towards our long-term Net Zero target, we have also set some near-term targets to 2030.

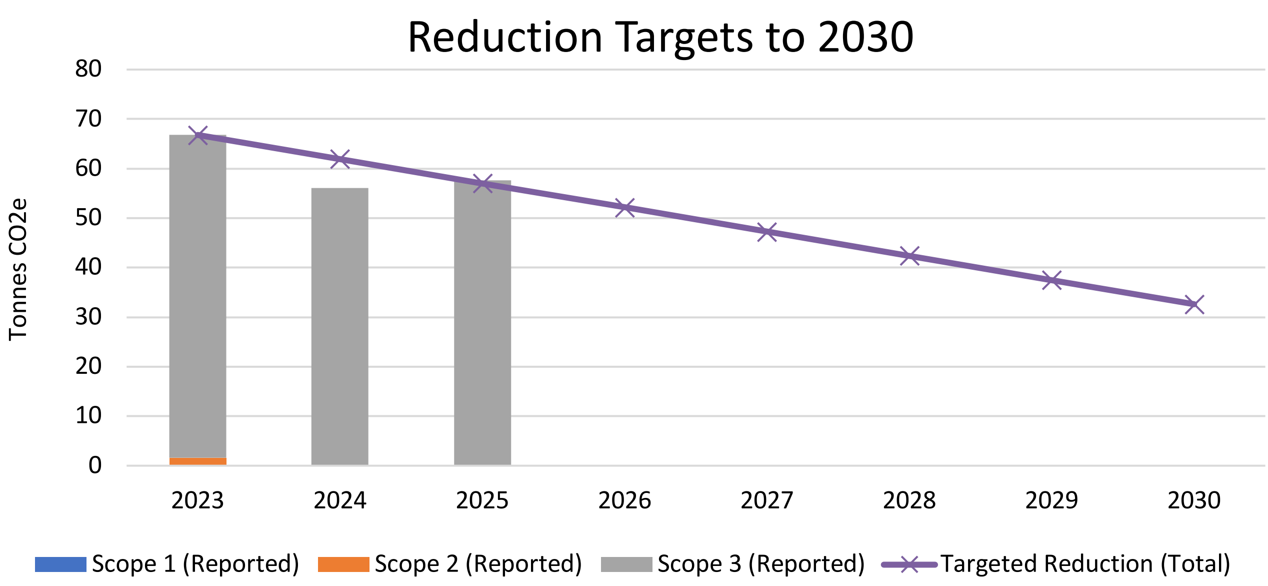
Our near-term targets:

- Maintain Scope 1 emissions at zero up to and beyond 2030.
- Reduce Scope 2 (market-based) emissions to zero by 2030. *(Achieved 2024)*
- Maintain Scope 2 (market-based) emissions at zero up to and beyond 2030.
- Reduce measured Scope 3 emissions by 50% by 2030.

Our long-term targets:

- Reduce our total market-based emissions (scope 1, 2 and 3) by at least 90% by 2035.
- Neutralise any residual emissions using verified carbon offsets.

Progress against these targets can be seen in the graph below:



SmartSourcing Ltd are on track to achieve our near-term targets. We have achieved zero Scope 1 and Scope 2 (market-based) emissions ahead of our 2030 target. Our new target is to maintain these emissions at zero. Scope 3 emissions have increased slightly compared to last year, but have still decreased since the base year, meaning SmartSourcing Ltd remains on track to reduce Scope 3 emissions by 50% by 2030.

Carbon Reduction Projects

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented and will be in effect when performing the contract.

Activity	Completion Date	Scope
Commit to measuring carbon footprint of business activities year on year to gain an understanding of pinch points and regularly be making efficient and direct improvements to reduce these emissions. Year 1 appointed Positive Planet to support with calculating baseline carbon footprint and reduction recommendations.	2021	1,2,3
Implemented ISO 14001, ISO 27001, ISO 9001 management systems.	2012	1,2,3
Created a Climate Ambassador to lead initiatives. This ambassador has been assigned to support the roll out of initiatives and management of data, this includes sharing and collaborating throughout the organisation.	2020	1,2,3
Became predominantly paperless, apart from the accounting department. Waste is minimal within the organisation owing to minimal office days per week and employees taking waste home with them for disposal.	2020	3
Made rail the primary option for domestic business travel.	2021	3
Has an informal policy of encouraging car sharing where feasible, for both business travel and commuting.	2024	3
Switched over to 100% renewable energy supply at our renewal date in 2024. In addition, internal projects to support energy efficiency were implemented. This reduced our market-based scope 2 emissions to zero.	2024	2
Implemented Cyber Essentials Plus; parts of the standard include tech energy efficiency measures.	2021	2
Implemented behaviour change initiatives within the workplace for reduction of emissions, including clear messaging for turning off lights, monitors, computers, and other electrical appliances where appropriate.	2022	2

Installed new energy-efficient servers, which should reduce electricity use.	2024	2
Reduced the size of our office, which will contribute to reducing energy consumption.	2024	2
Employee engagement exists through a Slack channel for employee suggestions for carbon reduction initiatives and carbon awareness being included in induction and refresher general employee training.	2025	1,2,3

Future Carbon Reduction Plans

In the future we hope to implement further measures such as:

Reduction Plans – Scope 1 & Scope 2			
No.	**Activity**	**Target Date**	**Category**
1	Currently we do not have any Scope 1 or Scope 2 market-based emissions, and we intend to keep it this way. If we expand or move to a new site, we shall do our best to ensure the new site: • is powered by 100% renewable electricity (market based) • does not have gas heating or uses as little as possible in the short term • uses energy-efficient appliances. If the UK Grid is 100% powered by renewable energy at this point, our Scope 2 location-based (and market-based) electricity emissions will already be zero.	-	Stationary Combustion Purchased Electricity
2	Total location-based electricity emissions (National Grid energy mix) are still 2.6 tCO2e at the latest measurement so there is an opportunity to reduce energy use. Implement energy efficiency measures to reduce the overall amount of electricity consumed at sites, and optimise operational procedures. Examples of reduction measures include: - upgrading lighting and introducing more sensor lighting in working areas, and aligning sensor times to usage patterns (eg 3 minutes for corridors, 20 minutes for working spaces) - installing timers on sockets/equipment to automatically turn appliances off during non-working hours - reviewing and renewing inefficient equipment (when at end of life), and actively consider the energy efficiency of equipment when new purchases are required (eg laptops, fridges, dishwashers)	*Ongoing*	Purchased Electricity
3	To completely reduce location-based energy emissions to zero, encourage the landlord to install onsite renewable energy generation technologies where feasible, such as solar PV panels (following an energy audit to assess feasibility and payback periods) to generate 100% of heating and energy demand.	2030	Purchased Electricity

	If the UK Grid is 100% powered by renewable energy before this point, your Scope 2 location-based electricity emissions will already be zero.		

Based upon the above completed and planned initiatives, it is projected that Scope 1 & 2 carbon emissions will be maintained at **0 tCO_2e** to 2030 and beyond.

We also aim to implement the further initiatives below to reduce Scope 3 emissions:

Reduction Plans – Scope 3			
No.	**Activity**	**Target Date**	**Category**
1	Consider training and engagement for the Green Team, leadership, and the wider employee base. This could include creating spaces for environmental positive conversations (internal comms, newsletters, slack, Teams etc), or certified Carbon Literacy Training for members of the workforce. On average, certified learners reduce their carbon footprints by 5-15%, of which ~50% are work-related. Businesses that engage with Carbon Literacy Training can also get certified as Carbon Literate Organisations which may bring commercial benefits.	2025	All
2	Develop a Sustainable Procurement Policy with the twin goals of being able to assess and prioritise the sustainability credentials of suppliers, and collect data from suppliers on an annual basis in an effective way. Existing and new suppliers will be engaged with to ensure alignment with sustainability goals and target of Net Zero by 2035. Possible mechanisms to do so could include: - engaging suppliers by sharing this Carbon Reduction Plan and communicating net zero targets, and asking for suppliers' information in return; - introducing sustainability weighting in tender processes; - adding sustainability criteria to all purchasing decisions, focusing on lifespan and efficiency; - increasing supplier reporting requirements including provision of supplier-specific data; - partnering with sustainable suppliers and vendors for events and other business requirements. This action will embed sustainability considerations into the procurement process and enable suppliers with lower organisational carbon footprints, lower embodied carbon of products, or a demonstrated commitment to Net Zero to be prioritised, as part of a phased approach. Taking action here is essential, as the majority of measured emissions (79%) sit within the supply chain.	2026	Purchased Goods & Services Capital Goods
3	Commit to a sustainability audit of existing suppliers. Initially the top 20% of suppliers (identified by spend and/or carbon intensity) will be engaged with to request further	2026	Purchased Goods & Services

	information regarding emissions reporting, net zero targets and sustainability ambitions. This data collection will support the reduction journey by: - improving the accuracy of carbon footprint measurements through collecting supplier-specific data; - allowing the positive impacts from reduction actions to be captured; - identifying business risks in the supply chain; and - encouraging supply chain integration towards Net Zero.		Capital Goods
4	Formalise the low carbon travel expense policy that encourages rail travel as the default. This is already engrained within the company culture, but formalising into a document allows for transparency and accountability.	2025	Business Travel
5	In the latest measurement, 3 members of staff reported having a renewable tariff at home. Consider what further support can be provided to employees to reduce emissions associated with homeworking. Examples include: - keeping employees updated on options for domestic renewable energy tariffs and applicable energy saving schemes - providing information and education on home renewable energy options - offering a salary sacrifice scheme for home renewable energy technologies (e.g. Heva Energy)	*Ongoing*	Commuting and Home-working

Based upon the above completed and planned initiatives, it is projected that (as a minimum) Scope 3 carbon emissions will further decrease from the base year measurement of **65.2 tCO_2e** to **32.6 tCO_2e** by 2030. This is a reduction of **50%** and will keep us on track to Net Zero.

Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 006 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard[1] and uses the appropriate Government emission conversion factors for greenhouse gas company reporting[2].

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard[3].

This Carbon Management Plan has been reviewed and approved by SmartSourcing Ltd Executive Team.

Signed on behalf of SmartSourcing Ltd:

Name: Judith Hall
Position: Managing Director
Date: 29th October 2025

1 https://ghgprotocol.org/corporate-standard

2 https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting

3 https://ghgprotocol.org/corporate-value-chain-scope-3-standard